

OILMEAL

7th January 2010

- Soy meal prices were steady to weak. FAS unchanged.
- Strong demand of soymeal from export houses influencing the Prices.
- With the likely crop loss in Argentina due to hot and dry weather condition, India is likely to get an advantage of exporting more soymeal.

DOMESTIC SOYMEAL MARKET:

Firm sentiment witnessed at key Soy meal cash markets as a result of better buying inquiries for the soymeal.

CBOT soymeal prices were up on speculation that increasing stress on fields that received below-normal moisture this season in Argentina, major soybean producer.

- ✓ Traders were steady at soy purchases on concern of increasing soybean prices with hopes of increasing export demand from South East Asian countries. Soybean crush margin for processors found **Rs. 144/ton** soybean crush which is down by **Rs. 46/ton** soybean crush compared to the previous day crush margin.
- ✓ Initial support in soyoil from strength in world vegoil markets amid fears of shrinking palm oil supplies may influence for more soybean crushing which will increase the supply of soymeal in the market.
- ✓ COOIT has projected that India is likely to export 3.4 million tons of soy meal for FY11 against 2.1 million tons shipped in FY10.
- ✓ The U.S. Census crush report was in line with expectation, and showed crushing of soybeans into soymeal and oil was down from the prior month, due to weaker processing margins.
- ✓ With demand from the importing nations like China continues to give support to the international prices.
- ✓ As per US Weekly export sales data, meal sales came in at 171,800 tonnes which pushed cumulative sales to 53.0% of the USDA forecast for 2010/2011 versus a 5-year average of 40.6%.
- ✓ Global Oct/Dec. 2010 soy meal exports are likely to reach a record for the time of year due to booming demand, as forecast by Oil World. Global exports of soy meal for the period will reach 15.5 million tonnes, up by 3.1 million tonnes on the same time in 2009.

SOYBEAN - DOC PRICES

Key Centres	Ex-factory rates (Rs/tonne)	
	06.01.2011	05.01.2011
Indore (MP)	16900-17000	17000
Kota	16900	16900
Dhulia	17900-18000	18000
Nanded/ Latur/ Parbani/ Hingoli	17300-17400	17300-17400
Nagpur (42/45)	17000-17100	17100
Sangli	18100-18200	18100
Solapur	17700	17600

SOYBEAN DOC PORT RATE:

Centers	FOR Kandla Rs/MT		FAS Kandla US \$/MT	
	06.01.11	05.01.11	06.01.11	05.01.11
Low	18300	18300	400	404
High	18300	18500	405	405

CBOT SOY MEAL FUTURES MARKET:

CBOT March soymeal up by 5.20 points at \$373.00 per short ton on Wednesday on speculation that dry weather will curb crop yields in Argentina and Brazil.

CBOT Soy meal Futures Prices as on 05 January 2011

Month	Open	High	Low	Close	Chg
Jan 11	364.70	369.90	361.70	369.30	+4.60
Mar 11	367.40	373.80	364.50	373.00	+5.20
May 11	369.20	374.90	366.10	374.10	+4.70

FOREX RATES as on 05 Jan 2011

Country/ Continent	Currency	Value in Rupees		
		06.01.11	05.01.11	Chg.
USA	Dollar	45.31	45.20	+0.11

RAPE/ MUSTARD MEAL & GROUNDNUT DOC:

- Rapeseed meal price in Sri Ganganagar was unchanged and quoted at Rs.1072.50/ qtl compared to the previous day's level of Rs. 1072.5/qtl and expected rise in rapeseed production weighing on the market.
- India's rapeseed meal exports in the month of November 2010 stood at 41604 MT higher as compared to 20326 MT in the corresponding month 2009.
- Groundnut meal Ex-stock Saurashtra, Gujarat, guaranteed (Basis 45% O&A) was quoted at Rs.14500/MT and GN meal Ex-stock Saurashtra, Gujarat non-guaranteed (Basis 40% O&A) was quoted at Rs.13000/MT.

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